Punjab has enacted the 'Punjab Termination of Agreements Act 2004', terminating and discharging the Government of Punjab from its obligations under the agreement dated 31.12.1981 between Punjab, Haryana and Rajasthan on reallocation of waters and under all other agreements relating to the waters of Ravi-Beas. Government of India has made a Presidential Reference to the Supreme Court inter alia whether the Punjab Termination of Agreements Act, 2004 and the provisions thereof are in accordance with the provisions of the Constitution of India.

Setting up of mega power plants

258. SHRI C. RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that foreign companies have been invited to build, own and operate mega power plants in the country;

(b) if so, the rationale behind permitting the foreign Companies to invest/participate in this strategic sector; and

(c) what safeguards are built into the agreements to prevent any company from resorting to arm twisting practices in the grid management of the country?

THE MINISTER OF STATE IN THE MINISTER OF POWER (SHRI JAIRAM RAMESH): (a) and (b) The policy to encourage greater private sector participation in the electricity sector was announced in 1991 with the objective of bringing in additionality of resources for the capacity addition programme which subsequently included Mega Power Projects. Since then privately owned enterprises, including foreign companies have been allowed in the electricity sector.

After the enactment of the Electricity Act, 2003, concurrence of Central Electricity Authority (CEA) is not required for setting up of thermal power plants including those in the private sector. In case of hydel projects, concurrence of CEA is required under Section 8(1) of the Electricity Act for setting up of a hydro power generation station estimated to involve a capital expenditure exceeding the sum notified by the Central Government.

Further, under the existing policy of the Government, Foreign Direct Investment (FDI) is permitted in the power sector on the automatic route wherein no prior approval of the Government is required except when the foreign investor has an existing collaboration/joint venture in the same sector.

(c) Grid management and operation is the responsibility of the Load Dispatch Centre which is to be operated by a Government Company or organization as per sections 26, 27 and 31 of the Electricity Act, 2003. Section 28 of the Act provides that the Regional Load Dispatch Centre (RLDC) shall be the apex body to ensure integrated operation of the power system in the

concerned region. The RLDC discharges its functions in accordance, inter alia, with the Grid Code specified by the Central Electricity Regulatory Commission (CERC). CERC has notified the Grid Code which provides, inter alia, for technical rules for operation, maintenance, development and planning of economic and reliable regional grid. Every grid constituent including the generating company owning and operating the mega power plant is required to comply with the grid code specified by the Commission. The Act has adequate provisions to deal with violation of the rules and regulations made thereunder.

Power situation in Assam

259. SHRI BIRENDRA PRASAD BAISHYA: Will the Minister of POWER be pleased to state:

(a) the demand and supply position of power in Assam, specifying the target set for coverving all the villages, agencies entrusted, alongwith modernization and reforms programmes undertaken in the power distribution sector;

(b) the achievements made in this regard, stating the support extended by the Central Government;

(c) the implementation status of Accelerated Power Development and Reforms Programme (APDRP) and Rajiv Gandhi Grameen Vidhyutikaran Yojana (RGGVY), with specific amount of funds released and utilized so far, in all the districts of Assam;

(d) whether all the districts of the State are covered under these programmes;

(e) if so, the status thereof; and

(f) if not, the reasons therefor and by when all the districts would be covered?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (f) The requirement of power during September 2008 in Assam was 460 MU while availability of power was 412 MU. The peak demand and peak met during September 2008 was 830 MU and 770 MU respectively.

Assam State Electricity Regularity Commission (ASERC) has been constituted. Three tariff orders have been issued by ASERC. Assam State Electricity Board has been unbundled into one generation Company, one transmission company and three distribution companies.

Government of India had sanctioned 15 projects amounting to Rs. 650.73 crore under investment component of Accelerated Power Development and Reforms Programme (APDRP) for Assam, out of which APDRP component to be borne by Government of India is Rs. 601.54 crore. Government of India had already released Rs. 596.23 crores. State of Assam has utilised Rs. 532.58 crores so far. Projects sanctioned under APDRP cover the districts viz. Barpeta, Bongaigaon, Dhemaji, Dibrugarh, Golaghat, Kamprup (Metro), Kamprup (Rural), North Cachar Hills, Hailakandi, Jorhat, Karimganj, Kokrajhar, Lakhimpur, Darang, Marigaon, Nagaon, Sibsagar, Cachar and Tinsukia. The Government have approved the continuation of APDRP during the Eleventh Five Year Plan with revised terms and conditions as a Central Sector

Scheme. The focus of the programme is on actual, demonstrable performance in terms of loss reduction. Projects under the scheme are to be taken up in Two Parts. Part-A is to include the projects for establishment of baseline data and IT applications for energy accounting / auditing and IT based consumer service centers. Part-B includes regular distribution strengthening projects. The scheme is being operationalised by Ministry of Power.

Under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Government of India has sanctioned 23 Projects amounting to Rs.1660.35 crore. The State Government has availed Rs.133.60 crore as on 16.09.2008 and has reportedly utilized the same. The implementing agencies have reported that works have been carried out in 192 un-electrified villages besides intensification works carried out in 280 already electrified villages as on 16.09.2008. The implementing agencies have also reported release of 1360 BPL household connections as on 16.09.2008. Projects for all the 23 districts of Assam have been sanctioned. The State Government of Assam has assigned execution of RGGVY works in seven districts namely Cachar, Dibrugarh, Hailakandi, Karimganj Kokrajhar, Sibsagar and sonitpur to Power Grid Corporation of India Ltd. (PGCIL) and the works in balance 16 districts are to be carried out by Assam State Electricity Board (ASEB).

Functioning of APDRP

260. SHRI B.K. HARIPRASAD: Will the Minister of POWER be pleased to state:

(a) whether the Accelerated Power Development and Reforms Programme (APDRP) has targeted to bring down aggregate technical and commercial losses of power utilities to fifteen per cent, within five years;

(b) whether Government has provided the support for State power utilities for the projects under APDRP and if so, the details thereof; and

(c) whether Government intends to make this support to States conditional, as a performance based incentive, rather than an assured one?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) Government had launched Accelerated Power Development and Reforms Programme (APDRP) in the year 2002-03 with the objective of encouraging reforms and of reduction in Aggregate Technical and Commercial (AT and C) loss, improving quality of supply of power and improving consumer satisfaction. The target was to reduce AT and C losses to 15% in five years in urban and high density consumption areas, to begin with.

(b) Government of India had sanctioned projects amounting to Rs.17033.58 crore under the investment component for strengthening and upgradation of sub-transmission and distribution systems of the States. The States have so far utilized Rs.11279.50 crores. An amount of Rs. 2879.73 crore has also been released to nine states for achieving reduction in cash losses under the incentive component of the programme.

(c) The Government have approved the continuation of Accelerated Power Development and Reforms Programme (APDRP) during the Eleventh Five Year Plan with revised terms and

conditions as a Central Sector Scheme. The focus of the programme is on actual, demonstrable performance in terms of loss reduction. Establishment of reliable and automated systems for sustained collection of accurate base line data, and the adoption of Information Technology in the areas of energy accounting are the necessary pre-conditions before sanctioning any projects for strengthening and up-gradation of Sub-transmission and distribution networks. Projects under the scheme are to be taken up in Two Parts. Part-A is to include the projects for establishment of baseline data and IT applications for energy accounting / auditing and IT based consumer service centers. Part-B includes regular distribution strengthening projects. Initially funds for projects under both parts shall be provided through loan. Government of India will provide the permissible grant money as and when it becomes payable. The entire amount of loan for Part-A Projects is to be converted into grant once the establishment of the required Baseline data system is achieved and verified by an independent agency appointed by the Ministry of Power. Up to 50% (90% for special category states) of loan for Part-B projects is to be converted into grant on achieving the 15% AT and C loss in the project area. The Utilities are also to achieve the following target of AT and C loss reduction at utility level:

- Utilities having AT and C loss above 30%: Reduction by 3% per year
- Utilities having AT and C loss below 30%: Reduction by 1.5% per year

Setting up of power plants in Andhra Pradesh

261. SHRIMATI T. RATNA BAI: Will the Minister of POWER be pleased to state:

(a) whether Government is establishing electricity generating plants in the East and West Godavari districts, to meet the urgent need of electricity of the people of Andhra Pradesh;

(b) if so, the details thereof; and

(c) if not, by when the plants would be set up?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (c) Two private sector power plants, namely, Konaseema CCPP (445 MW) and Gautami CCPP (464 MW) are scheduled to be commissioned during 2008-09 in East Godavari District of Andhra Pradesh. Construction of these projects has been completed, but commissioning is held up for want of availability of gas. In the state Sector the Polavaram Hydroelectric Power Project (960 MW) is programmed to be set up by APGENCO in the East Godavari District, which is likely to come up in the 12th Plan.

Setting up of Ultra Mega Power Projects in Orissa

262. SHRI B.J. PANDA: Will the Minister of POWER be pleased to state:

(a) whether it is proposed to set up three Ultra Mega Power Projects in Orissa, in addition to the nine such plants in the State;

(b) if so, the details thereof;

(c) what would be the power generation capacity of each of these plants; and

(d) what is the power shortage in the country and how far the above new power plants would help to mitigate the power shortage in the country?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (c) The Ministry of Power had launched an initiative for the development of 9 coal based Ultra Mega Power Projects (UMPPs), each of about 4000 MW capacity in different States. These projects are being developed on a Build, Own and Operate basis, and the project developers are selected through a tariff based competitive bidding process by project specific shell companies which have been formed as wholly owned subsidiaries of Power Finance Corporation (PFC), the identified nodal agency for this initiative. In Orissa, a site near Bedabahal village in Sundergarh district has been identified. In addition, two additional UMPPs may feasible. Government of Orissa has been requested by the Central Electricity Authority (CEA) to furnish details about the availability of land, water and other information in respect of various alternate sites.

(d) CEA has informed that as per the actual power supply position during April to September, 2008 on an all India basis, there is a peak shortage of about 16916 MW (15%) and energy shortage of about 39386 MU (10%). With the setting up of such Ultra Mega Power projects the energy demand can be met with highly competitive tariffs.

Allocation of power to Andhra Pradesh

263. SHRI NANDI YELLAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Andhra Pradesh Government had recently been desperately urging the Ministry to revive the offer of a share in electricity from the Kaiga Atomic Power Plant and Kayamkulam Naphtha Power Plant;

(b) if so, whether Government would assure of reviving the offer immediately to the State, in view of great crisis faced by the State with regard to electricity; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (c) The 115 MW share of Andhra Pradesh in Kaiga Atomic Power Station Unit - 1 and 2, temporarily reallocated to Tamil Nadu in April, 2002, was restored to Andhra Pradesh in December, 2006.

As regards, power from Kayamkulam CCGT, the same has been allocated to Kerala and Tamil Nadu on 50:50 basis after Andhra Pradesh and Karnataka refused to avail power from this project in May, 2002. The Government of Andhra Pradesh had subsequently requested for allocation of power from Kayamkulam CCGT along with cheaper power for cooling purpose. The matter was deliberated in a meeting taken by Union Secretary (Power) on 21st November, 2007.

In view of increasing constraints in providing power from NTPC stations in the Eastern Region for pooling with power from the Kayamkulam Plant, 50% of the Kayamkulam power was offered to Andhra Pradesh as well as Karnataka without the benefit of cheaper power, which, they were not keen to avail. The present request of Andhra Pradesh has been referred to the Southern Regional Power Committee (SRPC), a body comprising inter-alia representatives of all the Southern Region constituents for deliberation and recommendations.

Changes in RGGVY

264. SHRI M.V. MYSURA REDDY: Will the Minister of POWER be pleased to state:

(a) what is the difference between Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) implemented during the Tenth Five Year Plan and the RGGVY proposed to be implemented during the Eleventh Five Year Plan period;

(b) whether it is a fact that one of the amendments to the old RGGVY is that the States are mandated to ensure 10-12 hours of power supply in the RGGVY network; and

(c) if so, how the Ministry would ensure this condition of the Yojana when the States are not able to provide power for a minimum number of hours in towns and villages?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) The major difference between RGGVY implemented during 10th Five Year Plan and proposed to be implemented during 11th Five Year Plan is given in the Statements. (*See* below)

(b) For RGGVY projects to be implemented during 11th Plan period, prior commitment of the State Governments has been obtained for providing daily electric supply for a minimum of 6-8 hours in the RGGVY network with the assurance of meeting any deficit in this context by supplying electricity at subsidized tariff.

(c) Central Electricity Authority has intimated that capacity addition target of 78,577 MW has been proposed during 11th Plan. However, as per latest assessment, a capacity addition of 78,520 MW is proposed to be achieved during 11th Plan. With this capacity addition the demand forecast as per 17th Electric Power Survey (EPS) (Peak as well as Energy) will be fully met by the terminal year of 11th Plan i.e. 2011-12.

Statement

Major difference between RGGVY during 10th Plan and 11th Plan

1. The States will finalize their Rural Electrification Plans in consultation with Ministry of Power and notify the same within six months. Rural Electrification Plan will be a roadmap for generation, transmission, sub-transmission and distribution of electricity in the state which will ensure the achievement of objectives of the scheme.

2. For projects to be eligible for capital subsidy under the scheme, prior commitment of the States would also be obtained before sanction of projects under the scheme for:

(i) Guarantee by State Government for a minimum daily supply of 6-8 hours of electricity in the RGGVY network with the assurance of meeting any deficit in this context by supplying electricity at subsidized tariff as required under the Electricity. Act, 2003.

(ii) Deployment of franchisees for the management of rural distribution in projects financed under the scheme and to undertake steps necessary to operationalise the scheme.

3. BPL households will be provided free electricity connections. The rate of reimbursement for providing free connections to BPL households would be Rs.2200 per household.

4. The projects under the scheme will be subject to implementation of a three tie quality monitoring mechanism.

The cost norms for village electrification have been revised as under:-

		Cost (Rs. In lakhs)
1.	Electrification of un-electrified villages	
(a)	In normal terrain	13
(b)	In hilly, tribal, desert area	18
2.	Intensive electrification of already electrified villages	
(a)	In normal terrain	4
(b)	In hilly, tribal, desert area	6
3.	Cost of electricity connection to BPL households	0.022

Allocation of power to Kerala

265. SHRI A. VIJAYARAGHAVAN: Will the Minister of POWER be pleased to state:

(a) whether Kerala is a deficient State in electricity supply, as on date;

(b) if so, the details thereof, including the quantity of electricity allotted to Kerala from the Central Pool during the last three years, year-wise and category-wise;

(c) whether quantity of electricity provided/being supplied to Kerala this year is less than that supplied last year;

(d) if so, the reasons therefor;

(e) the quantity of electricity supplied last year and that being supplied as on date, category-wise;

(f) whether steps would be taken to restore supply the same quantity of electricity from the central pool as the last year; and

(g) whether steps would also be taken to provide more power to Kerala from central unallocated share of electricity?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (c) The energy and peak shortages in Kerala during April to September, 2008 was of 928 MU (10.8%) and 372 MW (11.9%) respectively.

The power allocated to Kerala from the Central Generating Stations as on 31st March 2006, 2007 and 2008 was 1542 MW, 1314 MW and 1216-1221 MW respectively.

(d) In January, 2007, 180 MW power from Kayamkulam CCGT was diverted to Tamil Nadu following the inability expressed by Kerala to utilize full power from the project due to high cost of Naphtha. Further, allocation of 200 MW home state share to Orissa from Talcher STPS Stage-II in April, 2007 resulted in reduction of allocation of all Southern Region States from this project, including 33 MW from Kerala. However, the firm allocation increased by 17 MW in May, 2007 after commissioning of Kaiga Atomic Power Station unit-3 (220 MW). Since January, 2007, there have been reductions in the allocation of unallocated power of Central Generating Stations to Kerala as well as other Southern States in January, April and December, 2007, depending on their power supply position. The allocation of unallocated power to Kerala was enhanced in January, 2008.

(e) The energy scheduled to Kerala from the Central Generating Stations during April to September, 2008 was 3775 Million Units (MU) as compared to 4744 MU scheduled during the corresponding period of last year. The total availability of power for Kerala during April to September, 2008 increased to 7674 MU from 7481 MU during April to September, 2007.

(f) and (g) The unallocated power of Central Generating Stations is limited and fixed. Allocations and modifications of allocation, within the States/UTs in the region and made generally keeping in view the emergent or seasonal nature of the requirement, the relative power supply position, utilization of existing generation and power resources, performance and payment capacity. The allocation of unallocated power of CGSs is reviewed and revised from time to time and there is no quota earmarked for any particular State.

Moreover, the State may take proactive steps to augment power supply by adding capacity, bilateral purchases and short term purchase through Power exchange.

Recommendations of GOM on power sector

266. DR. T. SUBBARAMI REDDY:
SHRI VIJAY JAWAHARLAL DARDA:

Will the Minister of POWER be pleased to state:

(a) whether, to meet Government's ambitious target of adding fresh capacity of 1,11,000 MW during the Eleventh Five Year Plan, a Group of Ministers has proposed that Government should divest upto 48 per cent of the stake in profitable central power sector companies which include NTPC, PPC, REC, PGCIL and NHPC;

(b) if so, what are the other main recommendations made the Group of Ministers for improving the power sector;

(c) whether IPO and FPOs are to meet only one-third of investment during the Eleventh Five Year Plan and stake sale funds are to be routed through new National Electricity Fund;

(d) if so, how many of its recommendations have been accepted; and

(e) to what extent it has been helpful for power sector?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (e) In pursuance of the announcement made by the Hon'ble Prime Minister in the Conference of

Chief Ministers' on power sector issues held on May 28, 2007, a Sub-Committee of the Group of Power Ministers has been constituted to look at financing issues, including upgrading transmission and distribution networks. The terms of reference of the Sub-Committee, inter-alia, include making appropriate recommendations regarding broad policy measures and instruments for mobilizing long tenure finances for meeting investment requirements of the power sector. The Sub-Committee is yet to submit its recommendations.

Attrition in NHPC

†267. MS. SUSHILA TIRIYA:
SHRI MOTILAL VORA:

Will the Minister of POWER be pleased to state:

(a) whether Government is aware that the experienced engineers of National Hydro Power Corporation (NHPC) are joining private sector companies;

(b) if so, the reasons therefor;

(c) the number of NHPC engineers at present and the number of those, who have left NHPC, so far;

(d) the likely effects on the projects of NHPC due to leaving of its engineers;

(e) the steps being taken by Government to stop the exodus of engineers; and

(f) whether officers of the NHPC are conducting recruitment camps in engineering colleges to meet the shortage of engineers?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir, due to the renewed interest shown by private developers in the power sector particularly in hydel power, there is a heavy demand in the country for experienced personnel. This has led to a high attrition rate in CPSUs including NHPC.

(c) The details obtained from NHPC regarding the number of engineers at present and the number of engineers who have left NHPC so far, are given below:

No. of engineers at present	No. of engineers who have left NHPC		
	In 2006	In 2007	In 2008 (till 1.10.2008)
1680	61	81	67

(d) NHPC have informed that these attritions are an ongoing process and would not have a significant impact on their ongoing project. Further, NHPC informed that they have been supplementing their team of engineers through internal recruitments and also through campus recruitments to make good the manpower shortfalls.

(e) NHPC have been taken a number of steps to retain their experienced personnel which include:

(i) Formulation of a retention strategy.

(ii) Efforts to enhance its brand image in the areas of its core competence.

†Original notice of the question was received in Hindi.